HOUSING MARKET OUTLOOK

Canada Edition

Canada Mortgage and Housing Corporation

Date Released: First Quarter 2009

Housing markets easing

Overview[1]

Housing Starts:	
2009:	160,250
2010:	163,350
Resales:	
2009:	370,500
2010:	405,000

Housing starts: The downturn in economic activity and in the employment market will lead to housing starts that will vary from 141,000 to 180,000 in 2009 and much the same range in 2010. Both singles and multiples will see declines in 2009.

Resales: Sales of existing homes through the Multiple Listing Service®[2] (MLS®) are forecast to decline 14.6 per cent this year compared to last year's level, but increase 9.3 per cent in 2010.

Resale prices: After several years of strong gains, the average MLS® price is expected to decline by 5.2 per cent in 2009 as sales of existing homes moderate and new listings continue to increase. The average MLS® price is expected to see minimal change in 2010.

Provincial Spotlight

Saskatchewan: Despite lower prices for uranium, crude oil, and agriculture, the natural resource sector will sustain economic growth in Saskatchewan. Nevertheless, given high inventory levels of completed and unoccupied units, housing activity in the province will moderate from peak levels in 2008, with some pick-up in 2010.

British Columbia: Economic growth is set to moderate in the province, but will remain stronger than the national average. New home construction will decline over the forecast period. High levels of existing homes listed for sale, as well as fewer overall home sales, has created buyers' market conditions throughout the province.

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[1]The outlook is subject to a heightened degree of uncertainty. Although point forecasts are presented in this publication, CMHC also presents forecast ranges and risks where appropriate. The forecasts included in this document are based on information available as of January 27, 2009.

[2]Multiple Listing Service (MLS) is a registered certification mark owned by the Canadian Real Estate Association.

Canada

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National Housing Outlook

In Detail

Forecasts for economic growth by private sector forecasters have been revised down significantly in recent months. For example, in October of last year, the average forecast for Canadian GDP growth in 2009 was 1.1 per cent. By January, this average forecast for Canadian GDP growth in 2009 was revised down to -0.7 per cent.

Housing starts this year will decrease to a level ranging between 141,000 and 180,000 in 2009, then increase marginally in 2010. Both single and multiple starts will decrease.

The new home market is moderating due to four key factors. First, strong house price growth between 2002 and 2007 has tempered home ownership demand particularly in Western Canada. Second, the record high levels of new listings have increased the competition from the existing home market and reduced spillover demand. Third, pent-up demand that built up during the 1990s is nearly exhausted and new home construction will become more aligned with long run demographic demand. And, finally, uncertainty about the economic outlook remains high and is a contributing factor restraining demand for home ownership.

Overall, housing starts will decline in all areas of Canada over the course of 2009. The largest declines will be seen in Western Canada and Ontario. By 2010, however, eight of ten provinces will see positive growth in housing starts; starts will continue to decrease in British Columbia and taper off in Quebec.

Single-detached housing starts will decrease in 2009

The rising house prices of previous years, as well as uncertainty about the economic outlook, will be the main causes of the continued moderation in single-detached housing starts. From a Canada perspective, singles are expected to fall to a level ranging between 65,800 and 83,800 units in 2009, and to increase marginally to a level ranging between 68,600 and 84,600 units in 2010.

All ten provinces in Canada will see fewer single-detached starts during 2009; Saskatchewan will experience the largest decline at 39.1 per cent to 2,750 units, followed by Ontario at a decrease of 26.1 per cent to 23,000 units. In all provinces, declines will be at least 10 per cent. Moving into 2010, however, a betterment of economic prospects across Canada will help to push single-detached starts up in all regions except British Columbia and Quebec. Alberta and Saskatchewan are expected to lead the rebound with growth of 11.8 and 9.1 per cent respectively.

Multi-family housing increases in popularity

Over the past few years, house prices have moved higher, thus less expensive multi-family housing (row, semi-detached, and apartment units) have increased in popularity relative to single-detached housing. Despite this increase in demand, the multiple starts segment will also see moderation this year. For 2009, it is expected that multiple starts will decrease to a level ranging between 75,200 and 96,200 units. The largest declines will occur in Western Canada; Alberta by 55.0 per cent, British Columbia by 40 per cent, and Saskatchewan by 39.8 per cent. Heading into 2010, however, economic prospects are expected to become more positive. Because of this, nine of ten provinces will see positive growth in the construction of multiple-family units. Multiple starts will still be in a range of 74,400 to 95,400 units in 2010.

Apartment construction had been growing for 11 consecutive years since bottoming out at just over 23,000 starts in 1996. However, and not surprisingly, 2009 will see a decline in starts by 30.6 per cent to 58,525 units. 2010 will see an increase, but it will be modest at 1.4 per cent to 59,400 units.

MLS® sales will decrease

Existing home sales activity will decrease by 14.6 per cent to 370,500 units this year, but will rebound by 9.3 per cent to 405,000 in 2010 as economic activity becomes more positive across Canada.

While sales have been easing over the course of the last few months, new listings have continued to rise. Accordingly the strong seller's

market that has existed since 2002 has given way to balanced and buyers' market conditions in most regions across Canada.

Resale markets move back into balance

The strong sellers' market conditions in recent years were reflected in strong upward pressure on the average price of homes, which increased in the 9 to 11 per cent range between 2002 and 2007. The first half of 2008 saw an easing in MLS® sales and higher levels of new listings. This brought the Canadian resale market back into buyers' market territory by the end of 2008. Balanced to buyers' market conditions, combined with decreased sales activity in the provinces of British Columbia and Alberta, where the provincial average prices are significantly higher than the Canadian average, will cause growth in the average MLS® price to fall in 2009. For 2009, prices are expected to decrease by 5.2 per cent to $287,900. British Columbia will see the largest decline, at 10.3 per cent to $407,700. 2010 is expected to see a minimal increase in the average MLS® price.

Risks to the Outlook

Due to the heightened uncertainty related to the economic outlook, it is important to consider a range of likely outcomes around these point forecasts.

If the U.S. recession proves to be deeper and more prolonged than is currently expected, then job losses in Canada could be greater than forecast. In turn, this could cause the demand for home ownership to fall. If access to credit becomes more difficult, then Canadian households may experience difficulty in obtaining mortgages. If this happened, then the demand for ownership housing may be lower than forecast.

There has been a strong policy response to the economic downturn. This will continue by governments at all levels in many countries. Central banks throughout the world, including Canada, have dramatically cut interest rates. The impact of existing and future stimulus could boost economic growth beyond expectations, which would lead to stronger job creation and increased demand for ownership housing.

When taking account of these factors, we expect that housing starts will be in the 141,000 to 180,000 unit range for 2009 and 143,000 to 180,000 unit range for 2010. Existing home sales through MLS® services are likely to be in the 344,000 to 395,000 unit range for 2009 and 360,000 to 420,000 unit range for 2010.

Trends Impacting Housing

Mortgage Rates

The Bank of Canada has cut the target for the Overnight Rate by a total of 350 basis points over the course of 2008, bringing the rate down to 1.00 per cent.

Mortgage rates are expected to be relatively stable throughout the first half of this year, remaining within 25-50 basis points of their current levels. Posted mortgage rates will increase slightly in the second half of 2009 as bond yields begin to move higher. For 2009, it is estimated that the one year posted mortgage rate will be in the 5.00-6.00 per cent range, while five year posted mortgage rates will be in the 5.75-6.75 per cent range.

Migration

Net migration (immigration minus emigration) is forecast to fall by 5.8 per cent to 255,175 over the course of 2009. Historically high levels of migration, which supported housing demand, will moderate. All regions, except for Ontario and Quebec, will experience a decline in net migration. For 2010, declines are expected to conclude, with net migration set to increase by 7.1 per cent to 273,425.

Employment and Income

Employment in Canada grew by 98,000 people when comparing December 2008 to December 2007. In addition, wages were up 4.3 per cent over the same time period. Due to economic conditions, employment is expected to decrease by 0.4 per cent this year and increase 1.0 per cent for 2010. With respect to the unemployment rate, the average consensus forecast for the unemployment rate for 2009 has been revised up from 6.6 per cent in October 2008 to 7.3 per cent in January 2009.

TRENDS AT A GLANCE

Key Factors and their Effects on Residential Construction

Factor	Comment
Mortgage Rates	Movements in mortgage rates are difficult to predict due to volatile economic conditions. Nevertheless, rates are expected to remain low in a historical context, but climb higher later this year and in 2010.
Employment	During 2008, a near record share of Canadians were employed. Due to economic conditions, employment is expected to decrease in 2009. The job market is expected to turn back up in 2010.
Income	Tight labour markets have put strong upward pressure on personal income growth in recent years. Softer labour markets in 2009 will cause growth in wages and incomes to slow for at least a year. By 2010, this trend should reverse and income growth will strengthen.
Net Migration	Net migration is forecast to fall in 2009, offsetting some of the record gains experienced over 2008. An improving job market will favour an increase in net migration for 2010.
Natural Population Increase	The low birth rate is slowing the rate of increase in the natural population (births minus deaths). This will lessen the demand for additional housing stock in the medium and longer term.
Resale Market	Slowing sales combined with record levels of listings have pushed the majority of Canadian existing home markets into balanced or buyers' territory. As a result, the average MLS® price is forecast to decrease in 2009. Resale market conditions will be mixed from province to province but leave the Canadian average price near the $290,000 mark.
Vacancy Rates	Increased competition from the condo market and modest rental construction will be partly offset by strong rental demand due to high immigration and a large gap between the cost of home ownership and renting. As a result, vacancy rates across Canada's metropolitan centres will remain relatively stable this year and next.

Special Report: Rental Market Outlook 2009

The rental apartment vacancy rate in Canada's 34 major centres decreased to 2.2 per cent in October 2008. For 2009, the vacancy rate is forecast to be 2.1 per cent.

The average rental vacancy rate in Canada's 34 major centres decreased to 2.2 per cent in October 2008 from 2.6 per cent in October 2007. Demand for rental housing in Canada increased due to high migration levels, youth employment growth, and the large gap between the cost of home ownership and renting. Rental construction and competition from the condominium market were not enough to offset growing rental demand. Reflecting general rental market conditions across Canada, the vacancy rate will drop from 2.2 per cent to 2.1 per cent in 2009.

British Columbia Rental Market Outlook:

Vancouver

Vancouver's rental market will remain tight next year. People moving to the city (mostly immigrants) and the high cost of home ownership will fuel demand for rental accommodations in the Vancouver CMA. Newcomers tend to rent before they buy, and the present climate of economic uncertainty, which has tempered homebuyer demand, is keeping some potential first-time buyers in rental housing as well. These factors will keep upward pressure on rents. The average two-bedroom apartment rent will increase to $1,164.

Nevertheless, vacancy rates will edge higher as the job market slows and the supply of rental adjusts.

Few new purpose-built rental projects are anticipated in 2009. New rental accommodation will come mostly from the secondary rental market in the form of investor-owned rental. Newly completed condominiums will enable some first-time home buyers to vacate rental units, adding to supply. The apartment vacancy rate will increase to 0.8 per cent in 2009, from 0.5 per cent in 2008.

Victoria

The vacancy rate in the Victoria CMA will remain one of the lowest among Canada's CMAs. Employment opportunities will keep in-migration high, fuelling demand for rental units and pushing average rents higher. The average rent for a two-bedroom apartment will increase to $1,005.

However, the apartment vacancy rate will move higher this year. More rental units will become available as first-time home buyers move into newly completed condominiums. An increase in the number of secondary rental market homes, such as condominium rentals, accessory suites and shared accommodations will add to supply. Few privately-initiated rental housing projects will be built as high land, labour and construction costs, relative to rents, reduce the viability of new rental projects.

Kelowna

Kelowna's apartment vacancy rate will edge up to one per cent in 2009. More modest employment growth and increased availability of condominium rentals points to slightly higher vacancy rates this year. The secondary rental market, including accessory suites and investor-owned condominiums now account for the lion's share of new supply. Kelowna will see few additions to the stock of purpose-built apartment rental accommodation given achievable rents and high land and construction costs.

Rents will continue to rise in response to low vacancy rates; the average two bedroom rent will reach $1,000 in 2009.

Prairie Region Rental Market Outlook:

Calgary

Despite some improvement in net migration, it will not be enough to offset the movement of rental households to home ownership and competition from the secondary rental market. With condominium units declining in price, the spread between renting and owning has narrowed. As a result, the move to home ownership will continue in 2009. Moreover, with a high level of condominium units under construction, it is likely that a significant proportion will be rented once they reach completion. Under these conditions, the average vacancy rate is projected to increase from 2.1 per cent in 2008 to 2.7 per cent in 2009.

With vacancy rates projected to rise, landlords may hedge the risk of higher vacancies by limiting their rent increases. In October 2008, the average two-bedroom rent was $1,148, up from $1,089 the previous year. In 2009, rent growth will be less than in 2008, with the average two-bedroom rent

projected to rise marginally to $1,155.

Edmonton

Apartment vacancies across Edmonton are expected to increase in 2009 despite low levels of rental unit construction. Demand will be tempered by a moderation in net migration from the peak years of 2005 and 2006. Supply is also arriving in the form of condominium apartments purchased by investors and offered for rent. Expect the apartment vacancy rate to increase to 3.5 per cent by October 2009, up from 2.4 per cent in October 2008.

As witnessed in 2008, further increases in the vacancy rate will help restrain rent increases this year. Units in the upper rent ranges will experience the strongest competition from investor-owned condos. This will encourage some owners to hold the line on rent increases in order to reduce turnover. The average two-bedroom rent will increase from $1,034 in October 2008 to reach $1,070 in October 2009.

Regina

After a record low of 0.5 per cent in 2008, the apartment vacancy rate in Regina will increase to 1.2 per cent in 2009. This increase will occur because first time buyers, who are presently renters, are drawn into the ownership market. Also, demand for rental housing will soften with slower in-migration. There will be no relief from new supply as there have been no rental units started in 2008. All of the 2007 rental starts have now been completed and are occupied.

In October 2008, Regina's average apartment rent increased to $756 per month. Continued high demand for rental units will continue to put upward pressure on the average rents to $850 per month in 2009.

Saskatoon

After increasing from a record low 0.6 per cent in October 2007 to 1.9 per cent in 2008, CMHC is forecasting a slight increase in Saskatoon's average vacancy rate to 2.0 per cent this year. Although in-migration will moderate in 2009, elevated prices for home ownership will discourage the movement from rental housing into the resale and new housing markets. Given the lack of construction of purpose-built rental apartments, the traditional rental stock will not rise. Despite this, landlords in the upper rent ranges will face competition from recent condominium buyers who are seeking to rent their units.

In response to the recent rise in vacancies and competition from the condominium market, the average rent for a two-bedroom suite will increase from $841 per month in October 2008 to $860 per month in October 2009.

Winnipeg

The vacancy rate in Winnipeg fell from 1.5 per cent in October 2007 to 1.0 per cent in 2008. Net migration will remain elevated this year, thus demand for rental accommodations should remain strong. While some new rental units will come on stream in 2009, the effect on vacancies will be moderate with the average vacancy rate inching up to 1.2 per cent. The rental completions will cause Winnipeg's rental market universe to increase for only the second time in 16 years. With newly completed units commanding higher than average rents, competition for lower priced units will remain strong.

The provincially mandated maximum rent increase for applicable units in 2009 is 2.5 per cent. With some new units coming on line at the higher price points and exemptions to the guidelines available to landlords, average rents will rise by about 4.0 per cent to reach $800 per month in October 2009.

Ontario Rental Market Outlook:

Toronto

The overall apartment vacancy rate for purpose-built rental units in the Toronto area will decrease slightly to 1.9 per cent in 2009 and the average two-bedroom apartment rent will rise to $1,117. Softening home ownership demand will keep the apartment vacancy rate low compared to what has been experienced for the majority of the new millennium. High home prices coupled with decreasing employment will continue to keep some home buyers, especially first-time buyers, on the sidelines, deferring entry into home ownership beyond 2009.

Strong rental demand, however, will be partially offset by the continuation of strong condominium apartment completions, many of which were purchased by renter households at the pre-construction stage of development. As more of these units are completed in 2009, some renter households will vacate their current dwellings to move into home ownership for the first time. Moreover, some households living in purpose-built rental apartments will be attracted to brand new condominium apartments which will be offered for rent by investors.

Ottawa

A combination of strong rental demand with low supply of newly completed purpose-built rental units points to tighter rental market conditions in 2009. This means Ottawa rental apartment vacancies will drop further to 1.0 per cent from 1.4 in October 2008. Furthermore, record high priced homes and economic uncertainty will deter some renters from jumping into the home ownership market.

Ottawa's two-bedroom apartment rents are expected to increase to $1,025 per month in 2009, compared to $995 per month in 2008.

Sudbury

After a slight up-tick, vacancy rates will fall further to 0.5 per cent in Sudbury in 2009. Four factors point to a lower vacancy rate in Sudbury. Firstly, there will be approximately 100 publicly funded rental housing units coming on stream before the October 2009 survey, which will be quickly absorbed. Secondly, high home ownership costs and an uncertain economic situation will discourage some renters from moving into home ownership. Thirdly, there will be more migrants looking for rental units. Net migration figures released by Statistics Canada in the fall showed net inflows of migrants to the Greater Sudbury area. The accumulated net inflow between 2002 and 2007 is approaching 2,500. Many in-migrants would certainly be seeking rental accommodation.

Lower vacancy rates will translate into lower turnover. Since rent increases above the provincial guideline can be applied only to vacant apartments, this will restrain growth in rents. Rents are still forecast to rise 3.5-5.0 per cent in 2009 in Greater Sudbury amid relatively low vacancies.

Windsor

The average rental apartment vacancy rate will remain high in 2009, rising above last October's 14.6 per cent rate and peaking at 17 per cent this year. A moderating economy will dampen both rental and ownership demand. Continuing out-migration, especially of the prime renter group aged 18-24 who will be in search of job opportunities will contribute to the surplus of vacant apartments. Rent increases for apartment units will be minimal as landlords try to retain existing tenants in the face of a slowing economy.

Québec Rental Market Outlook:

Montréal

Although the homeownership trend will remain strong, especially among first-time home buyers opting for condominiums, the increase in immigration targets will continue to have a major impact on the demand for rental housing in 2009. This increase in net migration will drive up rental housing demand and particularly tighten the traditional rental market. The vacancy rate will thus move lower from 2.4 % in 2008 to 2.0 % in 2009 and the average rent in the Montreal CMA will reach $668 this year.

Québec

The market will remain tight in 2009, as traditional rental housing construction is idling, with volumes remaining well below the levels recorded in the last five years. The employment market, which will be supported by investments in infrastructure, will grow more moderately. Migration to the CMA will contribute to maintaining demand for rental dwellings. Finally, despite favourable mortgage rates, there should be fewer renter households accessing homeownership as a result of the economic slowdown and the less significant formation of young households in the area.

The vacancy rate forecast for 2009 is 0.6 per cent, which is stable when compared to 2008. In addition, the average rent (two-bedroom apartments) is expected to be $663 per month.

Atlantic Region Rental Market Outlook:

St. John's

Over the previous two years, the St. John's CMA vacancy rate decreased by a notable 4.3 percentage points from 5.1 per cent in 2006 to 2.6 per cent in 2007 and to 0.8 per cent in 2008. Much of the decrease can be attributed to increased economic activity and in-migration to the area, driven primarily by the oil sector. Considerable house price growth in this market has triggered a slowdown in the movement of renter households to home ownership and this is expected to continue throughout 2009.

Although robust local economic growth should result in both the resale and new home markets remaining relatively strong in terms of historic levels of activity in 2009, the impact of first-time buyers shifting out of rental will likely be less pronounced than in prior years. Also, limited investment in local rental housing will not have a material impact on the supply of rental stock in 2009. The combined effect of these factors should result in the vacancy rate holding steady near the current level in 2009, with the average two-bedroom apartment rent increasing from $630 to $700 because of the low vacancy rate.

Halifax

Expect apartment supply to increase over the next 12 to 18 months as near record levels of residential units under construction are completed. After rising to 3.4 per cent in 2008, expect vacancy rates to rise a further one-tenth of a percentage point to 3.5 per cent in 2009 due to the addition of hundreds of new rental units in the market. During 2009 expect average rents to rise in response to rising construction and operating costs but to continue to face pressure due to increased competition. Average rents should rise relative to the rate of inflation at approximately 2.5 per cent next year.

New rental starts will be more subdued over the forecast period. The forecasted level of apartment-style starts in 2008 and 2009 is 700 units per year, approximately two-thirds of which, or just over 450, will be destined for rental. This is considerably lower than the approximately 900 and 700 rental starts recorded in 2006 and 2007, respectively, and will reduce some of the pressure on vacancy rates from a supply perspective over the medium term.

Partial offsets to the impact of increasing supply and lower levels of household formation will be the impact of weaker employment growth and weaker wage growth. In this less certain economic environment, employment and wage growth will moderate and result in slightly higher demand for rental units. Relatively affordable rental apartments will be seen as an attractive alternative to the costs of homeownership.

Moncton

Demand for rental units in the Greater Moncton area should remain strong over the next year. The diversified nature of the local economy pushed employment in the region to a record high in 2008. With solid economic fundamentals and rising employment, Greater Moncton has benefited from the most significant population growth among New Brunswick's urban centres, bolstering housing demand. In the rental market, supply has not kept pace with demand due to reduced apartment starts, resulting in a low 2.4 per cent vacancy rate in 2008. In response to consumer demand, developers in the CMA have shifted some of their focus away from apartment units to semi-detached homes.

Although employment and migration, significant drivers for the local housing market, are expected to remain strong in historical terms for 2009, residential construction is expected to decline. Last year's low vacancy rate could spark additional apartment construction, but any potential rise in the local inventory due to the addition of new units will likely be insufficient to significantly increase the vacancy rate. As such, the vacancy rate is expected to remain between 2.0 and 2.5 per cent in 2009 with and average rent increase between 2 and 3 per cent.

British Columbia

Overview

Builders will start fewer homes in response to weak demand and an abundant supply of housing. Housing starts in the province will total 22,800 units in 2009, down by one third compared to last year's level. A further nine per cent decline is forecast for 2010.

Slower economic and job growth will lessen demand for homeownership. Consumers will rein in their spending on goods and services, including housing, slowing economic and job growth to less than one per cent. Relatively low mortgage interest rates and a growing population are two factors that will support housing demand, but will not fully offset the influence of the moderating economy.

A well-supplied resale market means there will be less spill-over in homeownership demand to new home construction. The increase in home prices between 2004 and 2007 led to a significant (12%) increase in homes listed for sale last year. Existing home listings have moved off their recent peak, but remain elevated, while resales continue to decline. The sales-to-new listings ratio, an excellent indicator of future home prices, is low and pointing to lower home prices. As a result, market conditions will favour homebuyers, who will benefit from more choice and lower prices than in recent years.

The provincial economy will be on a more solid footing in 2010 as demand for B.C. goods and services picks up. Stronger employment growth will entice more homebuyers back to the ownership market and draw listings down.

In Detail

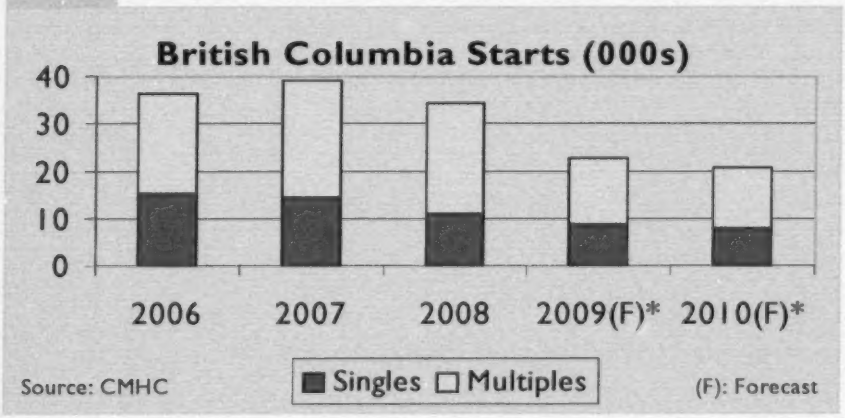
Single Starts: Single-detached new homes will continue to be favoured by consumers, but their generally higher price, compared to resale homes, may become more of a deterrent as resale prices move lower. The price gap between existing and new homes will widen this year because construction costs are still relatively high. Competition from existing homes and weak demand for homeownership will result in fewer single-detached home starts.

Multiple Starts: Fewer multiple-unit starts will get underway this year and next. While high land prices will encourage construction of multi-family housing, weak demand for homeownership will put some projects on hold. Apartment condominium starts will continue to be the focus of builders, with many developers favouring smaller projects or larger projects with phased components. Few rental starts are projected, despite low rental vacancy rates, as construction costs remain high.

Resales: A slowing economy and job market will contribute to lower existing home sales through the Multiple Listings Service (MLS®) this year, after a significant decrease in 2008. Resales will increase in 2010 as a stronger economy and lower mortgage carrying costs, as a result of moderating house prices, eventually draw buyers back to the housing market.

Prices: Buyers' market conditions will prevail throughout 2009 and result in lower home prices. The average MLS® price will decline ten per cent this year, to just under $408,000, and narrow the price gap with the rest of Canada. In 2010, the resale market will return to more balanced supply and demand conditions, and will result in an average existing home price stabilized at close to the 2009 level.

Figure 1



*The point estimate for provincial total housing starts is 22,800 for 2009 and 20,700 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 20,100-25,600 units for 2009 and 18,100-22,800 for 2010.

Alberta

Overview

Alberta's economy and new home construction will weaken in 2009. Weaker global demand, lower energy prices, and heightened costs will postpone capital spending for oil sands, upgrader, and pipeline projects. Meanwhile, despite the elimination of $1 billion in health care premiums, personal consumption will moderate.

However, government expenditures will be an important contributor to economic growth this year, as a result of a commitment to heightened infrastructure spending. The recent decline in the Canadian dollar will also provide an important offset to the effects of low energy prices and weaker demand for Alberta's exports. Assuming energy prices and global economies rebound by 2010, economic growth in Alberta will also stage a recovery.

The number of deferred energy projects will weigh on Alberta's labour market this year. Employment growth will be cut to less than one per cent. Construction employment related to the oil sands will be notably weaker, but should not have severe implications on home ownership demand as the housing requirements for such staff would have been temporary. Employment growth is expected to improve in 2010, provided the economic recovery occurs.

A bright spot to Alberta's outlook will be net migration. Given the weaker employment gains and slower economic growth, interprovincial migration will remain weak by historical standards. However, international immigration will be heightened due to the province's history of labour shortages and high wages, as well as more aggressive policies to attract migrants.

In Detail

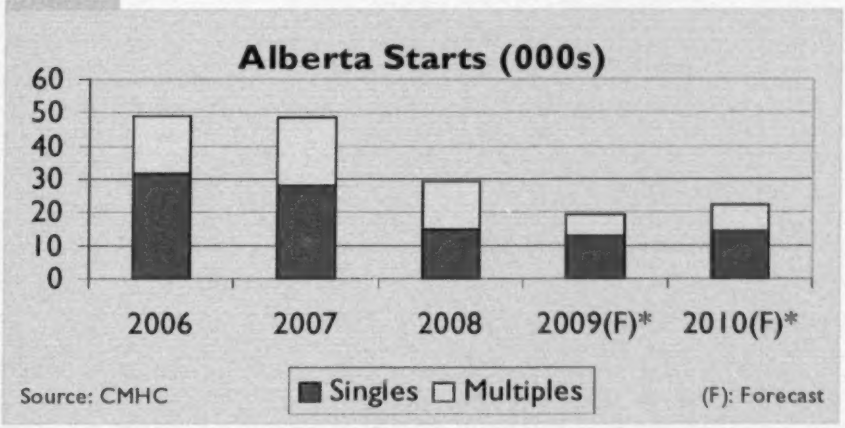
Single Starts: Heightened uncertainty regarding economic prospects and a surplus of unoccupied new units will postpone the recovery in single-detached construction for another year. In fact, single-detached starts will likely slip further in 2009. Edmonton will be a notable exception due to the velocity of the downturn that occurred last year. Provincial starts should rebound in 2010, provided the adjustment in starts sufficiently draws down inventories. Complete and unabsorbed units are in the process of peaking and current incentives should help reduce them further.

Multiple Starts: : Multi-family developers have been slower to adjust to the weaker economic conditions than their single-detached counterparts. As a result, multi-family starts will face a stronger downward adjustment in 2009. Calgary will record the strongest reduction in starts this year, where the construction of several apartment condominium projects has already been halted. Provided the necessary adjustment is made this year, a modest gain in starts will occur in 2010.

Resales: Despite price reductions, low financing costs, and buyers' market conditions, the current economic environment has prompted more cautious behaviour by households, especially for big-ticket items such as real estate. The prospect of additional price reductions will further postpone the decision to purchase. As a result, existing home sales will moderate for the third consecutive year in 2009. Once buyers gain confidence that prices have stabilized and economic conditions are improving, modestly higher sales should occur next year.

Prices: The average resale price will be slow to rebound from the first decline in 13 years. Despite a decrease in the number of active listings, weaker sales will ensure the market remains fixed in buyers conditions. As a result, the annual average price in 2009 will post a decline for the second consecutive year. As the market moves toward balanced conditions by 2010, resale price growth should return.

Figure 2



*The point estimate for provincial total housing starts is 19,200 for 2009 and 22,000 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 16,500-21,000 units for 2009 and 19,200-24,250 for 2010.

Saskatchewan

Overview

Saskatchewan is well positioned to be among Canada's top economic performers. Potash prices remain elevated and the province should benefit from increased output following a strike in 2008. The province's commitment to infrastructure spending will also stimulate capital investment, as will a number of private sector projects. These include two major potash mine expansions and the $1.9 billion CCRL (Consumers' Co-operative Refineries Limited) refinery expansion in Regina.

In 2008, employment growth reached two per cent for the second consecutive year, well above historical averages. Employers are expected to be more conservative in expanding payrolls. Despite slowing growth rates through 2010, Saskatchewan's employment expansion will be among the strongest in Canada.

However, declines in uranium, crude oil, and agriculture prices will contribute to the moderation of economic growth during 2009. Modest job gains will also dampen consumer spending growth, despite recent provincial income tax cuts.

The relatively favourable economic environment will maintain strong levels of net migration, although the recent escalation in provincial house prices and rents may serve as inhibitors. In 2007 and 2008, Saskatchewan had the highest provincial growth rates for the average resale price, new house price index (NHPI), and apartment rents.

Overall economic prospects, combined with favourable net migration, will translate into a decline in total housing starts and MLS® sales.

In Detail

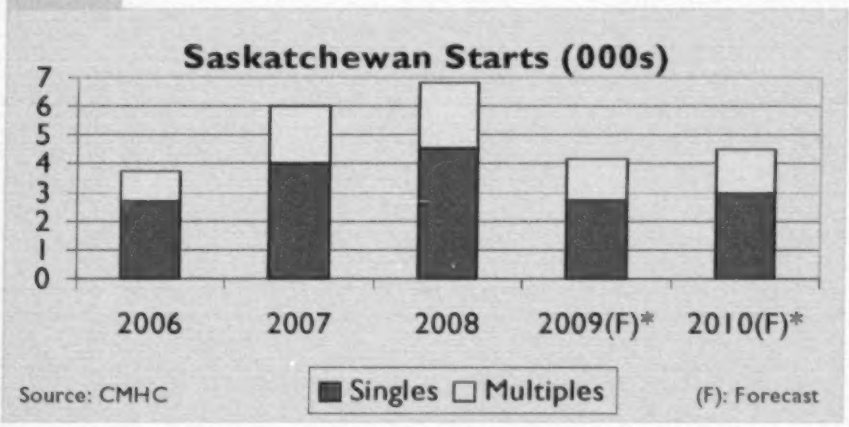
Single Starts: The surge in building activity in 2007 and 2008 has led to a rapid rise in the supply of single-detached housing. With complete and unabsorbed inventories up sharply, a significant reduction in the pace of construction will be required this year to reduce these inventories to manageable levels. Builders will have an opportunity for modestly higher production in 2010, provided inventories reach their peak some time this year.

Multiple Starts: With elevated construction levels in the last few years, the supply of condominium units has also reached record highs. Given the expectation of rising inventories, builders will adjust the pace of construction moving forward. After a 25-year high in 2008, a decline in production is expected this year. Assuming inventories are managed appropriately, developers will see modestly higher starts in 2010.

Resales: Saskatchewan's recent price gains hindered resale demand in the second half 2008, contributing to a rise in inventories and month-over-month price reductions. In line with economic conditions, residential sales will face further moderation in 2009, with activity down 15.7 per cent. Toward year-end, price declines and a large number of listings will provide opportunities for buyers. This will provide some support to sales. Under these conditions, sales will stage a modest rebound through 2010.

Prices: After leading provincial growth in 2007 and 2008, the average resale price will see little increase over the next two years. An excess supply of listings and strongly motivated sellers has resulted in recent month-over-month price declines. In this environment, the average price will decline by a few per cent this year. Once resale listings moderate and sales improve into 2010, price growth will slowly improve.

Figure 3



*The point estimate for provincial total housing starts is 4,150 for 2009 and 4,500 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 3,651-4,661 units for 2009 and 3,939-4,959 for 2010.

Manitoba

Overview

Despite a slower pace of economic growth, a number of major capital projects will ensure Manitoba remains among Canada's top economic performers in 2009 and 2010. Notably, construction of the $1.3 billion dollar Wuskwatim Hydroelectric dam is expected to accelerate in 2009. Combined with $450 million in expenditures on the Keystone pipeline, the potential construction of the Canadian Human Rights Museum will further boost capital spending over the forecast period.

Weaker commodity demand and prices, particularly for nickel, will also hold back export growth in 2009 before an expected global recovery pushes demand and prices upward next year. Local bus manufacturers and the aerospace sector are enjoying full order books, which should help soften the moderation in export growth in 2009.

After a solid gain in 2008, Manitoba job creation will be held back in line with the slower pace of ecnomic growth. A stronger economic expansion next year will help employment growth to improve. However, not all additions to the labour market will find employment. As a result, the unemployment rate will inch upward from the record low experienced in 2008.

In the face of lower job creation, personal consumption will advance at a slower pace than the gains in 2007 and 2008.

Net migration will continue to benefit from Manitoba's highly successful Provincial Nominee program. Program improvements, coupled with an attractive labour market and positive economic growth, will keep the flow of international immigrants near record highs. Meanwhile, the relative strength of the Manitoba economy and the relaxation of inter-provincial regulations regarding the transfer of professional qualifications should ensure that population losses from inter-provincial migration are minimized.

In Detail

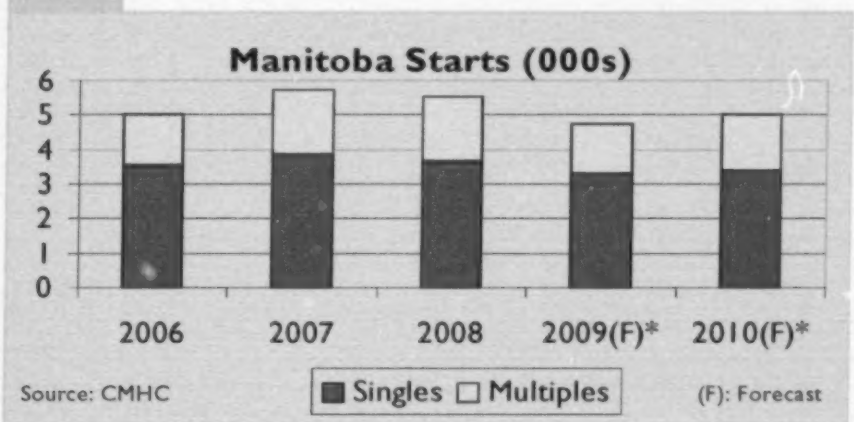
Single Starts: After a strong performance in 2008, single-detached starts will post a 10.6 per cent decline this year. Starts will remain elevated in the first part of 2009, thanks to a backlog of orders from 2008. However, activity will slow over the duration of the year due to the economic uncertainty facing buyers and threat of rising inventories facing builders. The weaker construction in 2009 will ensure that price growth is restrained and inventories are minimized, creating an opportunity for higher starts in 2010.

Multiple Starts: : Multi-family starts will continue to moderate from their 2007 peak, reaching 1,400 units this year before increasing slightly in 2010. Winnipeg's share of provincial multi-family construction will be lower than the historical average. This will be due to rising inventories in Winnipeg and heightened demand for multi-family units outside of Winnipeg, particularly for rental tenure.

Resales: Sales of existing homes will decline by almost 13 per cent in 2009 before posting a modest rebound in 2010. Demand will be weak in the first months of this year due to the current economic environment. However, strong labour markets, a growing population, and relatively low prices should contribute to a recovery in the latter part of the year and into 2010.

Prices: Manitoba's six consecutive years of double-digit price growth will come to an end in 2009. Resale market conditions are shifting in favour of the buyer, owing to a sharp increase in listings and moderating sales. Given such conditions, a modest decline to the average resale price is expected in 2009. Look for a gradual shift to a more balanced market in 2010, resulting in modest price gains of four per cent.

Figure 4



* The point estimate for provincial total housing starts is 4,750 for 2009 and 5,000 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 4,179-5,335 units for 2009 and 4,377-5,510 for 2010.

Ontario

Overview

After edging higher in 2008, Ontario new home construction will slow, reaching 58,250 units in 2009. A gradual recovery in Ontario's economy will push starts modestly higher in 2010. Housing starts have been running above demographic trends recently and this trend will be reversed in the next few years. As a leading indicator of residential construction activity, moderating demand for existing homes points to weaker new construction activity in Ontario. Declining employment opportunities, more cautious consumer spending and rising home prices in recent years are other factors that will weigh on housing demand.

Ontario's economy likely contracted at the close of 2008 and will contract further in 2009. Economic growth will recover but only gradually in 2010. Slower US consumer spending will continue to impact Ontario, but the negative effects on international trade will dissipate later this year thanks to a lower Canadian dollar and a gradual US economic recovery. This means that while exports continue to weigh on Ontario's economy, exports will be less of a drag by 2010. Instead, slower consumer spending, owing to a slowing provincial labor market, will dampen Ontario's recovery. While a moderation in consumer spending will dampen service sector employment opportunities, service sector employment levels will be stronger than in the goods sector.

In Detail

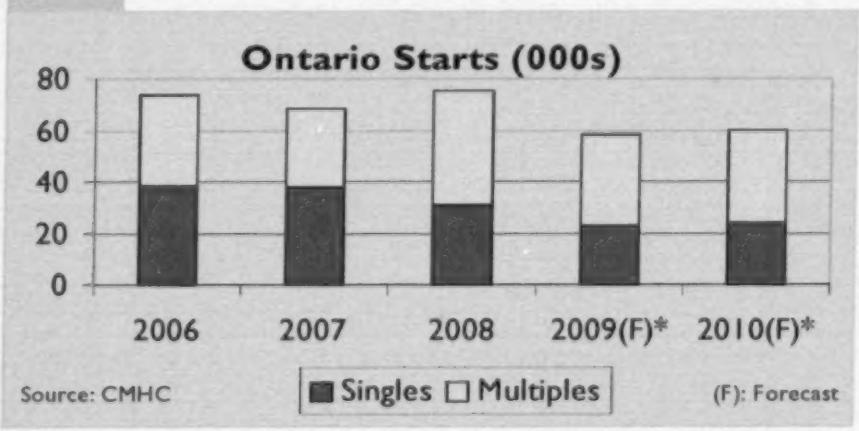
Single Starts: Single starts will decrease to 23,000 and 24,000 units in 2009 and 2010, respectively, down from over 31,000 starts in 2008. A slowing job market and a rising unemployment rate, particularly in higher paying employment sectors, means consumer spending will slow. This will have a more adverse effect on the relatively more expensive single detached housing.

Multiple Starts: Similarly to single-detached starts, multi-family home starts will slow, but at a more modest pace reaching about 35,250 units this year and next. Less expensive multi-family homes, led by ownership and rental apartments, will be relatively more attractive. First time buyers considering less expensive homes and lower rental apartment vacancy rates will sustain the construction of apartment and townhome units.

Resales: Ontario existing home sales will decline reaching 144,000 units in 2009, down from over 180,000 units in 2008. A pick-up in job growth, consumer spending and affordability will lift existing home sales in 2010. Rising home prices in recent years, combined with declining pent-up demand, will move volumes lower and closer to levels registered earlier this decade.

Prices: More accommodating conditions for buyers suggests Ontario existing home prices will decline by 3.5 and 1.0 per cent in 2009 and 2010, respectively. A slowing job market will dampen income growth and demand for housing. The continued shift to more inexpensive housing will also dampen average home prices across the province.

Figure 5



*The point estimate for provincial total housing starts is 58,250 for 2009 and 59,700 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 50,000-60,000 units for 2009 and 53,000-62,000 for 2010.

Quebec

Overview

A weaker economic context, combined with increased supply in certain housing market segments, will dominate demographic and interest rate conditions. This, in turn, will cause housing demand to decline in 2009 pushing starts lower to the 40,000 level. Sales of existing homes will decrease by approximately 8.1 per cent.

The province's economy, whose recent growth has stemmed from domestic consumption and public investment, is showing signs of slowing. While public spending on infrastructure projects should increase, household spending will likely moderate as a result of a softer labour market and lower disposable income growth. Private investment will also slow as financial constraints continue. Finally, the outlook for exports remains unchanged because the benefits of a weakening dollar will be offset by decreased global demand. We thus expect the Quebec economy to recede by 0.6 per cent in 2009, while job growth registers a similar result, a decline of 0.5 per cent. In 2010, the economy will grow by 1.3 per cent while job growth will increase by 0.4 per cent.

Despite the weaker economic context, the province's demographic outlook will stimulate housing demand in some market segments. The Provincial Government's higher immigration targets (55,000 by 2010) have already been observed and will continue to push up net migration in the coming years. Meanwhile, population aging will continue to fuel demand for apartments.

In Detail

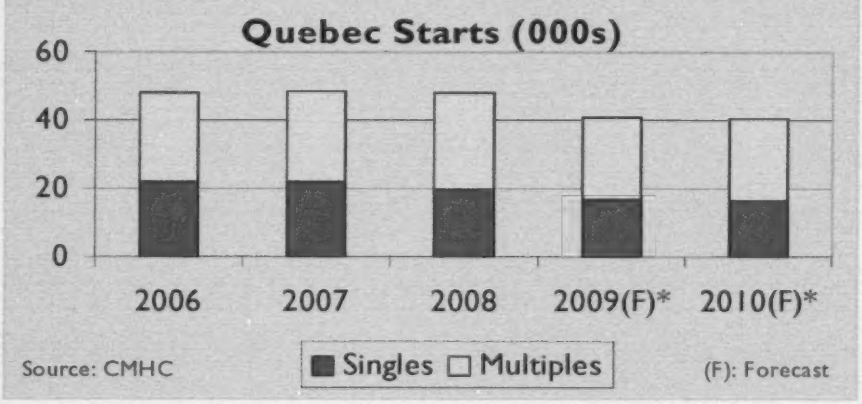
Single Starts: Starts in this segment will be especially affected by the economic and financial environment, as well as the recently rising supply of resale homes. Approximately 17,000 starts are expected in 2009 and 16,500 in 2010.

Multiple Starts: After several years of vigorous construction of retirement homes and condominiums, starts of multi-family homes will cool to 23,700 units in 2009, but will increase to 24,000 units in 2010.

Resales: Sales of existing homes will decline in 2009, but will remain at a high level. Demand for condominiums (town houses or apartments) will remain an important component. The Multiple Listing Service (MLS) will record approximately 73,000 sales in 2009 and 80,000 in 2010.

Prices: Lower sales and rising inventories will continue to take pressure off prices. Cooling demand should rule out price growth in 2009. As a result, the MLS average resale price will fall by 1.8 per cent to $207,000 in 2009 while 2010 will see an increase of 0.5 per cent to $208,000.

Figure 6



*The point estimate for provincial total housing starts is 40,700 for 2009 and 40,500 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 36,000-45,500 units for 2009 and 35,000-44,000 for 2010.

New Brunswick

Overview

Housing activity is expected to moderate from recent strong levels. This is in line with weaker economic activity in 2009 and 2010.

Although a lower Canadian dollar and reduced costs due to a decline in energy prices should help exporters, dampened global demand for commodities and soft commodity prices will hamper economic growth.

Lower energy prices may also help curb a potential decline in consumer spending. However, without higher energy prices, new investment in the energy sector may be negatively affected.

Reduced non-residential construction activity in New Brunswick is expected in 2009-2010. Several current projects, including the LNG terminal project, the refurbishment of the Point Lepreau generating station in the Saint John area, as well as the expansion of the Potash Corp. facility in Sussex will slow as peak levels of activity have been reached.

The possible addition of a new oil refinery to the Saint John area would help position the region as the energy hub for Atlantic Canada. However, no formal decision is expected until late 2009 at the earliest.

Accordingly, employment and economic growth are expected to remain weak in both 2009 and 2010.

In Detail

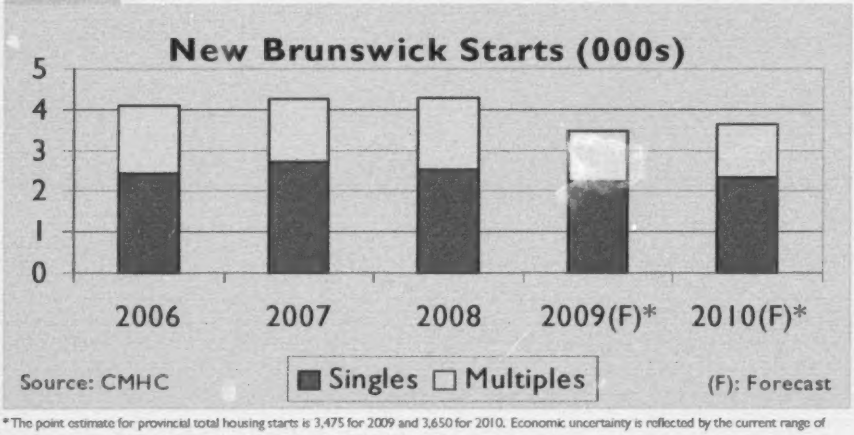
Single Starts: Single starts in New Brunswick maintained a steady pace in 2008 as strong employment and positive in-migration continued to support demand. Nevertheless, slowing activity in the latter part of 2008 is forecast to continue into 2009. Expect a decline in single starts to 2,250 units in 2009, followed by a subsequent increase to 2,350 units in 2010.

Multiple Starts: In recent years, multiple starts have undergone a shift in their product mix as the focus of local builders changed to reflect consumer demand. Despite a year-over-year increase in multiple starts in New Brunswick's three large urban centres, fewer apartment starts were recorded in 2008. Conversely, semi-detached units, which continued their tremendous growth in Greater Moncton, were complemented by large gains in Saint John last year. Although the vacancy rate dropped in the province's large urban centres, apartment starts are expected to be soft in 2009. Expect a moderate decline in multiple starts to 1,225 units in 2009, followed by a mild rebound in 2010 to 1,300 units.

Resales: Favourable market conditions helped offset the impact of economic uncertainty and bolstered the resale market in 2008, despite the mild decline in MLS® sales from the previous year's record setting levels. With increasing economic uncertainty, expect MLS® sales to decline to 6,500 in 2009 with a slight increase to 6,750 in 2010.

Prices: Although sales activity is expected to slow in 2009, prices will continue to rise, albeit at a reduced rate. Expect the average sale price to rise to about $146,500 in 2009 and $149,000 in 2010.

Figure 7



* The point estimate for provincial total housing starts is 3,475 for 2009 and 3,650 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 2,900-3,700 units for 2009 and 2,750-4,000 for 2010.

Nova Scotia

Overview

As is evident in the rest of Atlantic Canada, the recent declines in energy prices and declines in the Canadian dollar should be a benefit for growth, but without an improvement in demand south of the border the province's current and future growth prospects are going to be muted.

Nonresidential investment activity and growth from specific components of the service sector including financial, professional and scientific, and information and culture, which have been supporters for growth over the past couple of years, will be much less significant in 2009-2010.

At the same time, the outlook will be supported by the Deep Panucke project from EnCana which will add to growth in 2009 and 2010 as the company continues to believe in the longer term future growth potential from this project. Other mega-projects previously announced are not likely to occur in 2009 so the upside to growth will be limited as the recent financial environment has made it more difficult to access capital for new projects.

The movement westward has slowed as the continued growth in western energy development is beginning to slow. This will help those in the construction sector meet the current challenge of completing a signifcant number of projects which up until recently have been taking longer to complete due to a lack of workers in various skilled trades in Nova Scotia.

Economic growth should begin to improve towards the end of 2009 as energy related investments move from the planning to the construction phase.

In Detail

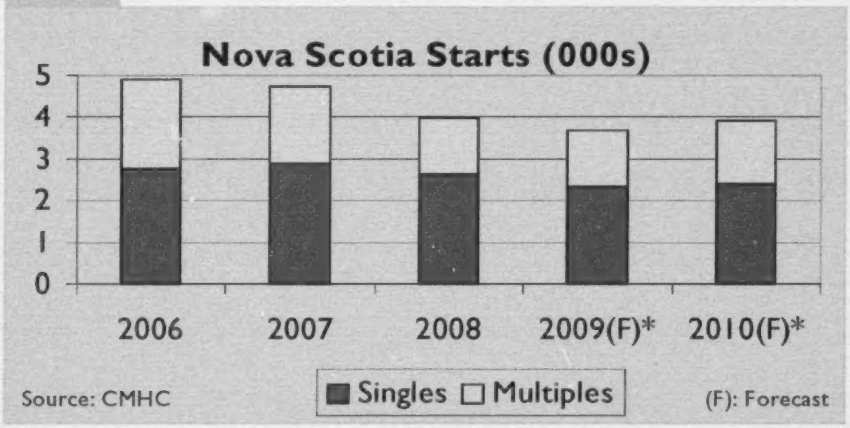
Single Starts: Single-detached construction remained fairly stable in 2008 but will decline in 2009 and 2010. Expect single starts to decline 10.8 per cent in 2009 to 2,350 and remain fairly subdued in 2010 at approximately 2,400. The decline in demand is due in part to rising house prices and general economic uncertainty combined with lower levels of household formation.

Multiple Starts: Multiple unit starts were weak throughout 2008 and will weaken further in 2009. The demand for labour put pressure on project completions during 2008 and resulted in delays of new projects. Expect the impact of the current economic uncertainty to play out through further delays due to developers taking a wait-and-see approach. As a result, multiple starts will decline to 1,325 in 2009. As economic growth, employment growth and wage growth slow during the forecast period, expect demand for rental units to increase as rental will be seen as an alternative to homeownership. This in turn will result in some increased levels of multiple starts to 1,500 in 2010.

Resales: MLS® sales in Nova Scotia were down 8.3 per cent in 2008 and will fall a further 12.6 per cent in 2009 to 9,500 sales. In 2010, expect to see a slight rebound in sales activity to 9,850 sales. While sales levels will be below recent highs, it is important to note that the forecasted sales activity will remain near or above the current ten-year average.

Prices: As MLS® sales moderate amid cooling demand, so too will price growth. The average price for an existing home in 2008 was $189,902. Expect that to increase over the forecast period by 0.6 to 1.8 per cent per year. Prices will reach $191,000 in 2009 and $194,500 in 2010.

Figure 8



* The point estimate for provincial total housing starts is 3,675 for 2009 and 3,900 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 3,200-4,100 units for 2009 and 3,000-4,400 for 2010.

Prince Edward Island

Overview

There will be a slowdown in economic growth in both 2009-2010 which will result in limited gains in employment.

Recent challenges to growth, including the impact of the higher Canadian dollar, a rise in energy prices and a slowdown in the United States, have been replaced by a global slowdown and weaker commodity prices. Furthermore, consumer spending, which remained strong in 2008, is expected to slow in 2009.

Recent problems in the agriculture sector, due to wet weather, along with the prospects for weaker demand for the other key sectors including manufacturing and tourism, will also result in weaker economic growth in 2009-2010.

Although the tourism sector will not be hit by the effects of the Canadian dollar or higher gas prices in 2009, it is still going to be a challenge for operators to attract tourists to come to the Island.

Market conditions for the agriculture sector will also continue to be challenging as a result of increased global competition. At the same time, announcements of support from both governments regarding aid for the sector, as well as a recent improvement in potato prices, will help support farm incomes.

The rate of employment growth in 2009 and 2010 is expected to rise marginally. Economic growth will remain below the 1.0 per cent level for both 2009 and 2010 with the possibility of close to zero growth in 2009, depending on how global factors continue to impact growth.

In Detail

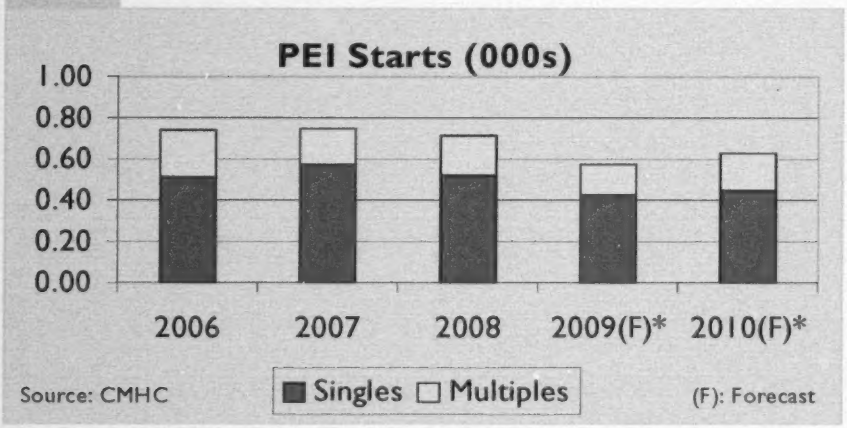
Single Starts: The pace of construction for single detached homes is expected to slow in 2009 before posting a moderate increase in 2010. The main factors contributing to the decline in 2009 are slowing economic growth and the increasing cost of new homes. The current forecast calls for 425 units in 2009, and for an additional 450 units in 2010.

Multiple Starts: Increased demand for multiple units targeted towards the homeownership market will keep multiple starts stable over the next two years. This shift in tenure of multiple units will be driven in part by the rising cost of new homes and by empty-nesters looking to down size their households. As a result expect to see 150 multiple units started in 2009 and 175 units in 2010.

Resales: In 2007, the resale market in PEI posted the highest level of unit sales in the association's history by almost 20 per cent. As was expected, sales returned to more sustainable levels in 2008, and this is expected to moderate further in 2009. The main reason for the expected declines in 2008 and 2009 is that much of the demand for homes was brought forward in the previous years, due to a sense of urgency many households felt regarding their purchasing decision. As such, it is expected that MLS® sales will moderate to 1,300 units in 2009 and 1,325 units in 2010.

Prices: After eight years of price increases that exceeded the inflation rate, this trend is expected to reverse over the forecast period. During the past eight years the average price increased by an average of seven per cent annually. Despite the slowing pace it is still expected that the province as a whole will post positive average growth over the next two years . The average MLS® sales price is expected to increase to $141,500 by the end of 2010.

Figure 9



*The point estimate for provincial total housing starts is 575 for 2009 and 625 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 525-600 units for 2009 and 575-650 for 2010.

Newfoundland and Labrador

Overview

The Hebron project continues to drive the confidence for future growth in the Newfoundland economy. However, the project's contributions in 2009 will be offset by a slowdown in mining and other resource based activity, including the fishery.

Declines in offshore oil production will continue to dampen growth in 2009-2010, although the eventual increase in royalties received by the province from Hibernia will be positive for the province. Additional infrastructure spending by the province will also offset some of the expected declines in private sector spending.

In the recent fiscal update from the provincial Department of Finance, higher than expected oil production and an increase in consumer spending resulted in a positive adjustment in the provincial estimate for economic growth for 2008.

Higher commodity prices previously drove up mineral exploration activity in the interior region of Newfoundland, as well as Labrador. However, the recent correction in prices will contribute to a significant slowdown in growth for both 2009 and 2010.

The fishery has not been as challenged by a high Canadian dollar and high fuel costs, due to recent declines in both factors. However, it is still being affected by lower global demand and the resulting effects of lower prices.

As a result, GDP growth is forecast to remain marginally positive in 2009, before rebounding further in 2010.

In Detail

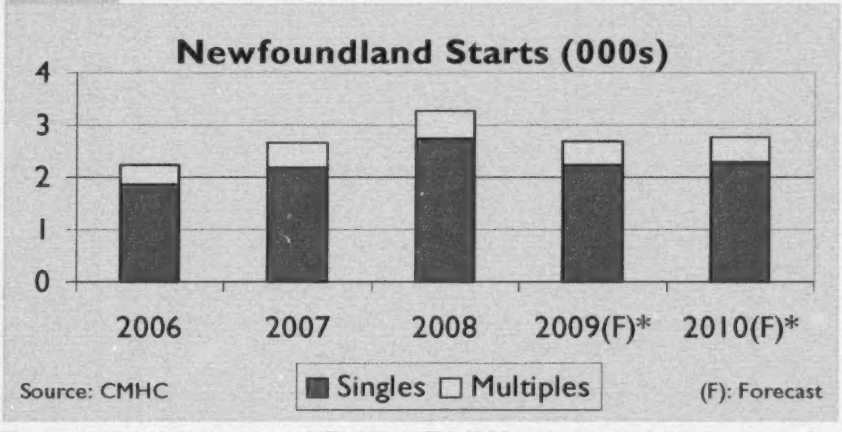
Single Starts: Moderate job and income growth will be offset by low mortgage rates and continued in-migration, providing support to the single-detached housing market. A total of 2,250 starts are expected in 2009, down 17.4 per cent, and 2,300 starts are forecast for 2010, up 2.2 per cent.

Multiple Starts: Multiple unit construction will remain stable, with 425 units anticipated for 2009 and 475 units for 2010. With higher construction costs, the number of single-detached homes with basement apartments will continue to slow, as buyers opt for less expensive single unit homes. Meanwhile, smaller households and an aging population continues to draw developers to the condo market. As a result, condo starts are forecast to increase in 2009-2010. With a recent peak in supply and higher disposable incomes, demand for new semi-detached units should remain steady. Record house prices may spur additional demand for this lower priced product in 2009.

Resales: After record buying activity in 2008, demand will moderate but remain historically high in 2009-2010. The forecast includes a 14.8 per cent decline to 4,000 provincial MLS® sales in 2009, with a small increase to 4,200 in 2010.

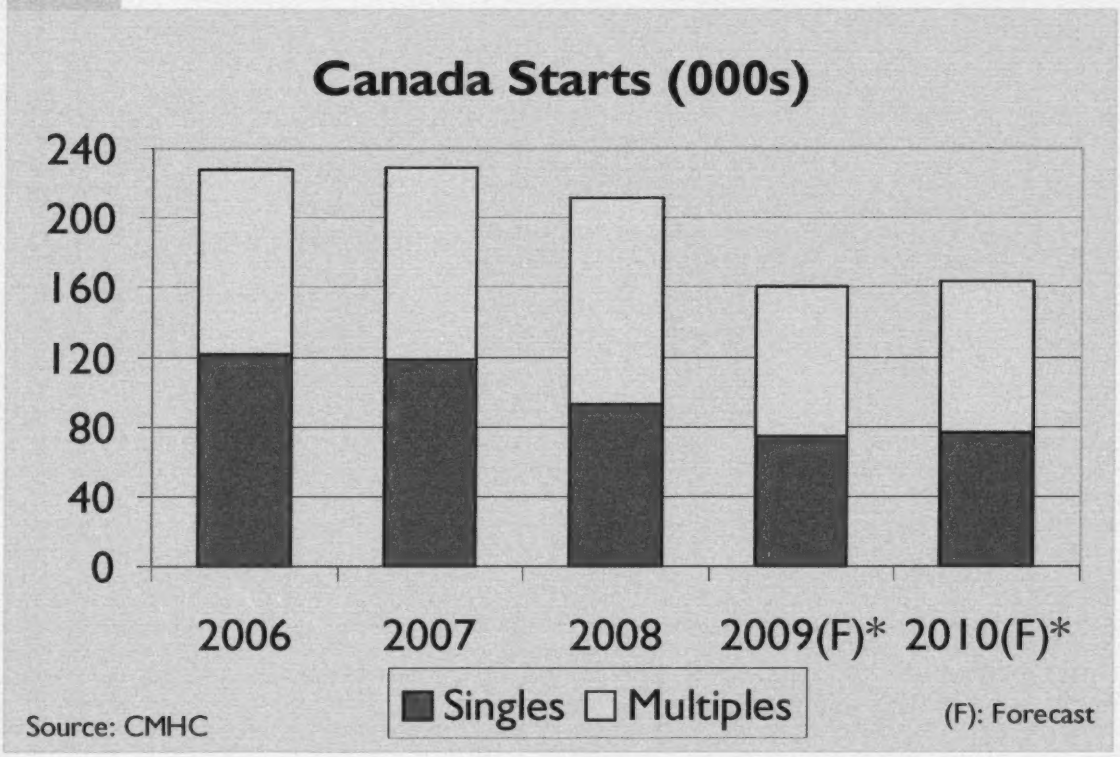
Prices: The expected softening in demand for housing, paired with a higher supply of inventory, will see the average MLS® house price moderate in 2009-2010. Prices are expected to rise 0.6 per cent to $179,500 in 2009 and 1.7 per cent in 2010 to $182,500.

Figure 10



*The point estimate for provincial total housing starts is 2,675 for 2009 and 2,775 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 2,600-3,200 units for 2009 and 2,100-3,000 for 2010.

Figure 11



*The point estimate for the forecast of national total housing starts is 160,250 units for 2009 and 163,350 units for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 141,000-180,000 units for 2009 and 143,000-180,000 units for 2010.

Table 1: Total Housing Starts
(units and annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	**2,870**	**2,498**	**2,234**	**2,649**	**3,261**	**2,675**	**2,775**
%	6.6	-13.0	-10.6	18.6	23.1	-18.0	3.7
PEI	**919**	**862**	**738**	**750**	**712**	**575**	**625**
%	12.9	-6.2	-14.4	1.6	-5.1	-19.2	8.7
NS	**4,717**	**4,775**	**4,896**	**4,750**	**3,982**	**3,675**	**3,900**
%	-7.4	1.2	2.5	-3.0	-16.2	-7.7	6.1
NB	**3,947**	**3,959**	**4,085**	**4,242**	**4,274**	**3,475**	**3,650**
%	-12.1	0.3	3.2	3.8	0.8	-18.7	5.0
QUE	**58,448**	**50,910**	**47,877**	**48,553**	**47,901**	**40,700**	**40,500**
%	16.2	-12.9	-6.0	1.4	-1.3	-15.0	-0.5
ONT	**85,114**	**78,795**	**73,417**	**68,123**	**75,076**	**58,250**	**59,700**
%	-0.1	-7.4	-6.8	-7.2	10.2	-22.4	2.5
MAN	**4,440**	**4,731**	**5,028**	**5,738**	**5,537**	**4,750**	**5,000**
%	5.6	6.6	6.3	14.1	-3.5	-14.2	5.3
SASK	**3,781**	**3,437**	**3,715**	**6,007**	**6,828**	**4,150**	**4,500**
%	14.1	-9.1	8.1	61.7	13.7	-39.2	8.4
ALTA	**36,270**	**40,847**	**48,962**	**48,336**	**29,164**	**19,200**	**22,000**
%	0.3	12.6	19.9	-1.3	-39.7	-34.2	14.6
BC	**32,925**	**34,667**	**36,443**	**39,195**	**34,321**	**22,800**	**20,700**
%	25.8	5.3	5.1	7.6	-12.4	-33.6	-9.2
CAN*	**233,431**	**225,481**	**227,395**	**228,343**	**211,056**	**160,250**	**163,350**
%	6.9	-3.4	0.8	0.4	-7.6	-24.1	1.9

Source: CMHC.

(F) Forecast.

* Totals may not add due to rounding. The point estimate for the forecast of national total housing starts is 160,250 units for 2009 and 163,350 units for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 141,000-180,000 units for 2009 and 143,000-180,000 units for 2010.

Table 2: Single-Detached Starts
(units and annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	**2,229**	**2,005**	**1,864**	**2,184**	**2,725**	**2,250**	**2,300**
%	-0.5	-10.0	-7.0	17.2	24.8	-17.4	2.2
PEI	**682**	**634**	**512**	**573**	**521**	**425**	**450**
%	11.3	-7.0	-19.2	11.9	-9.1	-18.4	5.9
NS	**3,270**	**3,010**	**2,757**	**2,887**	**2,636**	**2,350**	**2,400**
%	10.2	-8.0	-8.4	4.7	-8.7	-10.8	2.1
NB	**2,970**	**2,665**	**2,445**	**2,733**	**2,519**	**2,250**	**2,350**
%	-5.4	-10.3	-8.3	11.8	-7.8	-10.7	4.4
QUE	**28,871**	**23,930**	**21,917**	**22,177**	**19,778**	**17,000**	**16,500**
%	6.0	-17.1	-8.4	1.2	-10.8	-14.0	-2.9
ONT	**48,929**	**41,682**	**38,309**	**37,910**	**31,108**	**23,000**	**24,000**
%	2.8	-14.8	-8.1	-1.0	-17.9	-26.1	4.3
MAN	**3,484**	**3,709**	**3,552**	**3,857**	**3,690**	**3,300**	**3,400**
%	10.1	6.5	-4.2	8.6	-4.3	-10.6	3.0
SASK	**2,193**	**2,425**	**2,689**	**4,017**	**4,518**	**2,750**	**3,000**
%	4.6	10.6	10.9	49.4	12.5	-39.1	9.1
ALTA	**22,487**	**26,684**	**31,835**	**28,105**	**14,716**	**12,700**	**14,200**
%	2.6	18.7	19.3	-11.7	-47.6	-13.7	11.8
BC	**14,056**	**13,719**	**15,433**	**14,474**	**10,991**	**8,800**	**8,000**
%	14.7	-2.4	12.5	-6.2	-24.1	-19.9	-9.1
CAN*	**129,171**	**120,463**	**121,313**	**118,917**	**93,202**	**74,825**	**76,600**
%	4.8	-6.7	0.7	-2.0	-21.6	-19.7	2.4

Source: CMHC.

(F) Forecast.

* Totals may not add due to rounding. The point estimate for the forecast of national single-detached starts is 74,825 for 2009 76,600 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 65,800-83,800 units for 2009 and from 68,600-84,600 units for 2010.

Table 3: Multiple Starts
(units and annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	**641**	**493**	**370**	**465**	**536**	**425**	**475**
%	41.8	-23.1	-24.9	25.7	15.3	-20.7	11.8
PEI	**237**	**228**	**226**	**177**	**191**	**150**	**175**
%	17.9	-3.8	-0.9	-21.7	7.9	-21.5	16.7
NS	**1,447**	**1,765**	**2,139**	**1,863**	**1,346**	**1,325**	**1,500**
%	-32.0	22.0	21.2	-12.9	-27.8	-1.6	13.2
NB	**977**	**1,294**	**1,640**	**1,509**	**1,755**	**1,225**	**1,300**
%	-27.6	32.4	26.7	-8.0	16.3	-30.2	6.1
QUE	**29,577**	**26,980**	**25,960**	**26,376**	**28,123**	**23,700**	**24,000**
%	28.2	-8.8	-3.8	1.6	6.6	-15.7	1.3
ONT	**36,185**	**37,113**	**35,108**	**30,213**	**43,968**	**35,250**	**35,700**
%	-3.7	2.6	-5.4	-13.9	45.5	-19.8	1.3
MAN	**956**	**1,022**	**1,476**	**1,881**	**1,847**	**1,450**	**1,600**
%	-8.2	6.9	44.4	27.4	-1.8	-21.5	10.3
SASK	**1,588**	**1,012**	**1,026**	**1,990**	**2,310**	**1,400**	**1,500**
%	30.4	-36.3	1.4	94.0	16.1	-39.4	7.1
ALTA	**13,783**	**14,163**	**17,127**	**20,231**	**14,448**	**6,500**	**7,800**
%	-3.3	2.8	20.9	18.1	-28.6	-55.0	20.0
BC	**18,869**	**20,948**	**21,010**	**24,721**	**23,330**	**14,000**	**12,700**
%	35.5	11.0	0.3	17.7	-5.6	-40.0	-9.3
CAN*	**104,260**	**105,018**	**106,082**	**109,426**	**117,854**	**85,425**	**86,750**
%	9.5	0.7	1.0	3.2	7.7	-27.5	1.6

Source: CMHC.

(F) Forecast.

* Totals may not add due to rounding. The point estimate for the forecast of national multiple starts is 85,425 for 2009 and 86,750 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 75,200-96,200 units for 2009 and from 74,400-95,400 units for 2010.

Table 4: Housing Starts by Type (Units)

		2004	2005	2006	2007	2008	2009(F)	2010(F)
NF	Semi-Detached	264	151	122	133	169	100	100
	Row	51	31	39	72	108	75	75
	Apartment	326	311	209	260	259	250	300
	Total	641	493	370	465	536	425	475
PEI	Semi-Detached	76	111	62	100	59	75	50
	Row	80	75	13	23	54	25	25
	Apartment	81	42	151	54	78	50	100
	Total	237	228	226	177	191	150	175
NS	Semi-Detached	266	301	353	333	328	200	200
	Row	186	265	255	221	219	275	300
	Apartment	995	1,199	1,531	1,309	799	850	1,000
	Total	1,447	1,765	2,139	1,863	1,346	1,325	1,500
NB	Semi-Detached	293	391	482	530	584	500	525
	Row	256	203	275	195	235	150	150
	Apartment	428	700	883	784	936	575	625
	Total	977	1,294	1,640	1,509	1,755	1,225	1,300
QC	Semi-Detached	2,932	2,678	2,599	2,750	3,491	2,800	2,750
	Row	1,109	1,074	1,343	1,934	1,918	1,700	1,750
	Apartment	25,536	23,228	22,018	21,692	22,714	19,200	19,500
	Total	29,577	26,980	25,960	26,376	28,123	23,700	24,000
ON	Semi-Detached	5,172	4,673	4,393	4,284	3,415	2,000	2,000
	Row	12,824	12,537	11,046	11,255	11,212	10,000	10,500
	Apartment	18,189	19,903	19,669	14,674	29,341	23,250	23,200
	Total	36,185	37,113	35,108	30,213	43,968	35,250	35,700
MAN	Semi-Detached	132	133	178	175	168	150	175
	Row	92	161	158	198	480	250	275
	Apartment	732	728	1,140	1,508	1,199	1,050	1,150
	Total	956	1,022	1,476	1,881	1,847	1,450	1,600
SK	Semi-Detached	184	236	123	317	251	250	225
	Row	681	378	423	831	506	450	450
	Apartment	723	398	480	842	1,553	700	825
	Total	1,588	1,012	1,026	1,990	2,310	1,400	1,500
ALB	Semi-Detached	2,916	3,012	3,807	3,699	2,125	1,900	2,000
	Row	2,401	2,951	2,935	4,377	2,210	2,000	2,500
	Apartment	8,466	8,200	10,385	12,155	10,113	2,600	3,300
	Total	13,783	14,163	17,127	20,231	14,448	6,500	7,800
B.C.	Semi-Detached	2,062	1,791	2,239	2,111	2,061	1,700	1,400
	Row	4,387	4,459	4,476	4,175	3,926	2,300	1,900
	Apartment	12,420	14,698	14,295	18,435	17,343	10,000	9,400
	Total	18,869	20,948	21,010	24,721	23,330	14,000	12,700
CAN*	Semi-Detached	14,297	13,477	14,358	14,432	12,651	9,675	9,425
	Row	22,067	22,134	20,963	23,281	20,868	17,225	17,925
	Apartment	67,896	69,407	70,761	71,713	84,335	58,525	59,400
	Total	104,260	105,018	106,082	109,426	117,854	85,425	86,750

Source: CMHC (F) Forecast. * Totals may not add due to rounding.

Table 5: Total Residential Resales
(units and annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	**3,265**	**3,211**	**3,537**	**4,471**	**4,695**	**4,000**	**4,200**
%	0.8	-1.7	10.2	26.4	5.0	-14.8	5.0
PEI	**1,500**	**1,449**	**1,492**	**1,769**	**1,413**	**1,300**	**1,325**
%	6.8	-3.4	3.0	18.6	-20.1	-8.0	1.9
NS	**8,887**	**10,948**	**10,697**	**11,857**	**10,874**	**9,500**	**9,850**
%	-3.6	23.2	-2.3	10.8	-8.3	-12.6	3.7
NB	**5,979**	**6,836**	**7,125**	**8,161**	**7,555**	**6,500**	**6,750**
%	8.9	14.3	4.2	14.5	-7.4	-14.0	3.8
QUE	**70,669**	**72,670**	**74,192**	**83,847**	**79,402**	**73,000**	**80,000**
%	2.9	2.8	2.1	13.0	-5.3	-8.1	9.6
ONT	**197,353**	**197,140**	**194,930**	**213,379**	**181,001**	**144,000**	**162,000**
%	7.0	-0.1	-1.1	9.5	-15.2	-20.4	12.5
MAN	**12,098**	**12,761**	**13,018**	**13,928**	**13,525**	**11,800**	**12,400**
%	5.0	5.5	2.0	7.0	-2.9	-12.8	5.1
SASK	**8,172**	**8,312**	**9,140**	**12,054**	**10,203**	**8,600**	**9,000**
%	6.2	1.7	10.0	31.9	-15.4	-15.7	4.7
ALTA	**57,460**	**65,866**	**74,350**	**71,430**	**56,399**	**50,000**	**53,500**
%	11.9	14.6	12.9	-3.9	-21.0	-11.3	7.0
BC	**96,385**	**106,310**	**96,671**	**102,805**	**68,923**	**61,800**	**65,700**
%	3.5	10.3	-9.1	6.3	-33.0	-10.3	6.3
CAN*	**461,768**	**485,503**	**485,152**	**523,701**	**433,990**	**370,500**	**405,000**
%	5.9	5.1	-0.1	7.9	-17.1	-14.6	9.3

SOURCE: The Canadian Real Estate Association.

(F) Forecast by CMHC.

* Totals may not add due to rounding, excludes Territories and Nunavut. The point estimate for the forecast of national residential resales is 370,500 for 2009 and 405,000 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 344,000-395,000 units for 2009 and from 360,000-420,000 units for 2010.

Table 6: Average Residential Resale Price ($)
(units and annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	**131,499**	**141,167**	**139,542**	**149,258**	**178,477**	**179,500**	**182,500**
%	9.7	7.4	-1.2	7.0	19.6	0.6	1.7
PEI	**110,815**	**117,238**	**125,430**	**133,457**	**139,944**	**140,250**	**141,500**
%	8.9	5.8	7.0	6.4	4.9	0.2	0.9
NS	**146,033**	**159,221**	**168,614**	**180,989**	**189,902**	**191,000**	**194,500**
%	7.1	9.0	5.9	7.3	4.9	0.6	1.8
NB	**112,933**	**120,641**	**126,864**	**136,603**	**145,762**	**146,500**	**149,000**
%	6.7	6.8	5.2	7.7	6.7	0.5	1.7
QUE	**167,546**	**180,529**	**190,348**	**202,392**	**210,775**	**207,000**	**208,000**
%	12.5	7.7	5.4	6.3	4.1	-1.8	0.5
ONT	**245,230**	**262,949**	**278,364**	**299,544**	**302,354**	**291,700**	**288,800**
%	8.1	7.2	5.9	7.6	0.9	-3.5	-1.0
MAN	**119,245**	**133,854**	**150,229**	**169,189**	**190,296**	**184,000**	**191,000**
%	11.7	12.3	12.2	12.6	12.5	-3.3	3.8
SASK	**110,824**	**122,765**	**132,078**	**174,405**	**224,586**	**217,500**	**224,000**
%	5.6	10.8	7.6	32.0	28.8	-3.2	3.0
ALTA	**194,769**	**218,266**	**285,383**	**356,235**	**352,857**	**333,000**	**343,000**
%	6.5	12.1	30.7	24.8	-0.9	-5.6	3.0
BC	**289,107**	**332,224**	**390,963**	**439,119**	**454,599**	**407,700**	**405,400**
%	11.2	14.9	17.7	12.3	3.5	-10.3	-0.6
CAN*	**225,678**	**248,343**	**276,095**	**305,707**	**303,607**	**287,900**	**288,100**
%	9.3	10.0	11.2	10.7	-0.7	-5.2	0.1

SOURCE: The Canadian Real Estate Association.

(F) Forecast by CMHC.

* Canadian average excludes Territories and Nunavut. The point estimate for the forecast of national average price is $287,900 for 2009 and $288,100 for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from $270,000-$305,000 for 2009 and from $270,000-$310,000 for 2010.

Table 7: Employment
(annual percentage change)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	0.9	-0.1	0.7	0.6	1.5	0.5	0.9
PEI	1.2	1.9	0.6	1.0	1.3	0.3	0.8
NS	2.6	0.2	-0.3	1.3	1.3	0.2	0.8
NB	2.0	0.1	1.4	2.1	0.9	0.3	0.9
QUE	1.4	1.0	1.3	2.3	0.8	-0.5	0.4
ONT	1.7	1.3	1.5	1.6	1.4	-0.6	0.5
MAN	1.1	0.6	1.2	1.6	1.7	0.4	0.7
SASK	0.8	0.8	1.7	2.1	2.2	0.9	1.0
ALTA	2.4	1.5	4.8	4.7	2.8	0.3	1.0
BC	2.4	3.3	3.1	3.2	2.1	0.7	1.9
CAN*	1.8	1.4	1.9	2.3	1.5	-0.4	1.0

Source: Statistics Canada.

(F) Forecast by CMHC

*The point estimate for the forecast of natinal employment growth is -0.4 per cent for 2009 and 1.0 per cent for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from -0.8 per cent to -0.2 per cent in 2009 and 0.75 per cent to 2.0 per cent in 2010.

Table 8: Unemployment Rate
(percent)

	2004	2005	2006	2007	2008	2009(F)	2010(F)
NFLD	15.7	15.2	14.8	13.6	13.2	13.7	13.8
PEI	11.3	10.8	11.0	10.3	10.8	11.4	11.6
NS	8.8	8.4	7.9	8.0	7.7	8.3	8.4
NB	9.8	9.7	8.8	7.5	8.6	9.4	9.4
QUE	8.5	8.3	8.0	7.2	7.2	8.3	8.3
ONT	6.8	6.6	6.3	6.4	6.5	7.7	7.8
MAN	5.3	4.8	4.3	4.4	4.2	4.8	5.3
SASK	5.3	5.1	4.7	4.2	4.1	4.7	5.0
ALTA	4.6	3.9	3.4	3.5	3.6	4.8	5.3
BC	7.2	5.9	4.8	4.2	4.6	5.2	5.4
CAN*	7.2	6.8	6.3	6.0	6.1	7.3	7.3

Source: Statistics Canada.

(F) Forecast by CMHC.

*The point estimate for the forecast of national unemployment is 7.3 per cent for 2009 and 7.3 per cent for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from 6.8 per cent to 8.0 per cent in 2009 and 6.5 per cent to 7.8 per cent in 2010.

Table 9: Gross Domestic Product
(annual percentage change)

	2004	2005	2006	2007	2008(E)	2009(F)	2010(F)
NFLD	-1.2	1.9	3.0	9.1	1.4	0.3	1.2
PEI	2.6	2.0	2.4	2.4	0.7	0.1	0.7
NS	0.9	1.3	0.9	1.7	0.8	0.2	1.0
NB	2.8	1.6	2.4	1.7	0.8	0.3	1.0
QUE	2.7	1.5	1.7	2.6	0.5	-0.6	1.3
ONT	2.6	2.8	2.6	2.3	-0.2	-1.0	1.5
MAN	2.2	2.4	4.0	3.3	2.1	0.3	1.8
SASK	5.1	3.3	-0.3	2.5	3.2	0.9	2.2
ALTA	5.3	4.8	6.1	3.1	1.5	-0.7	2.0
BC	3.6	4.4	4.4	3.0	2.0	0.8	2.1
CAN*	3.1	2.9	3.1	2.7	0.7	-0.7	1.8

Source: Statistics Canada.

(E) Estimate by CMHC, (F) Forecast by CMHC.

*The point estimate for the forecast of national GDP growth is -0.7 per cent for 2009 and 2.4 percent for 2010. Economic uncertainty is reflected by the current range of forecasts which varies from -1.8 per cent to 0.3 per cent in 2009 and 1.8 per cent to 3.5 per cent in 2010.

Table 10: Total Net Migration *
(number of persons)

	2004	2005	2006	2007	2008 (E)	2009(F)	2010(F)
NFLD	-2,359	-4,476	-3,915	-873	1,500	800	600
PEI	26	16	-111	417	2,000	1,000	600
NS	-681	-1,831	-1,998	311	2,000	1,200	675
NB	-241	-2,009	-2,899	968	1,050	875	650
QUE	36,189	29,035	27,214	31,162	37,416	39,000	41,000
ONT	102,965	102,789	83,561	85,809	89,671	94,000	103,400
MAN	3,128	-1,487	1,612	8,906	7,700	7,500	7,900
SASK	-4,459	-7,481	-1,769	11,388	11,250	9,100	8,900
ALTA	35,470	62,106	70,258	43,252	55,000	40,000	46,000
BC	42,511	50,822	52,789	58,277	63,400	61,700	63,700
CAN**	212,549	227,484	224,742	239,617	270,987	255,175	273,425

Source: Statistics Canada.

(E) Estimate by CMHC, (F) Forecast by CMHC.

* Sum of interprovincial migration, international migration and non-permanent residents.

** Excludes Territories and Nunavut.

Table 11a: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ Units)	Avg. Rent Two Bedroom (3 Units)
Victoria	2008	1,905	673	-0.1	6,171	484,898	0.5	965
	2009(F)	1,350	650	-8.0	5,400	427,000	0.7	1,005
	2010(F)	1,250	550	-3.0	5,600	420,000	0.8	1,045
Vancouver*	2008	19,591	3,634	2.3	25,149	593,767	0.5	1,124
	2009(F)	12,500	3,200	-5.0	23,000	527,000	0.8	1,164
	2010(F)	11,000	2,900	-1.0	25,000	528,000	0.8	1,210
Abbotsford	2008	1,285	358	n.a.	2,674	355,099	2.6	765
	2009(F)	650	250	n.a.	2,500	330,000	3.0	780
	2010(F)	600	225	n.a.	2,600	330,000	3.0	792
Kelowna	2008	2,257	765	n.a.	3,445	430,755	0.3	967
	2009(F)	1,250	600	n.a.	3,100	383,500	1.0	1,000
	2010(F)	1,200	625	n.a.	3,600	380,000	1.4	1,030
Edmonton	2008	6,615	2,613	1.0	17,369	332,852	2.4	1,034
	2009(F)	5,100	2,600	-3.0	16,000	315,000	3.5	1,070
	2010(F)	6,200	3,200	1.5	17,000	325,000	3.0	1,120
Calgary	2008	11,438	4,387	0.6	23,136	405,267	2.1	1,148
	2009(F)	5,500	3,800	-3.0	20,000	380,000	2.7	1,155
	2010(F)	6,200	4,200	1.0	22,000	390,000	2.5	1,200
Saskatoon	2008	2,319	1,288	20.6	3,540	287,803	1.9	841
	2009(F)	1,325	775	-4.0	3,000	277,000	2.0	860
	2010(F)	1,400	850	3.0	3,150	285,000	3.0	870
Regina	2008	1,375	979	26.2	3,338	229,716	0.5	756
	2009(F)	1,070	750	4.0	2,800	228,000	1.2	850
	2010(F)	1,150	800	4.0	2,900	235,000	2.0	860
Winnipeg	2008	3,009	1,930	10.2	11,854	196,940	1.0	769
	2009(F)	2,500	1,650	4.0	10,500	190,000	1.2	800
	2010(F)	2,600	1,700	1.5	11,000	197,500	1.4	825
Thunder Bay	2008	167	165	5.5	1,973	139,301	2.2	719
	2009(F)	220	150	2.0	1,450	141,500	1.6	732
	2010(F)	250	160	3.0	1,500	144,500	2.0	740
Sudbury	2008	543	469	5.5	2,396	211,207	0.7	800
	2009(F)	560	400	2.0	1,900	205,000	0.5	840
	2010(F)	520	420	3.0	2,000	203,000	0.4	870
Windsor	2008	453	328	0.4	4,546	159,709	14.6	772
	2009(F)	356	280	0.5	3,950	152,000	17.0	773
	2010(F)	400	320	1.0	4,000	151,000	13.0	776

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

*MLS® sales and prices for the Vancouver CMA refer only to the Real Estate Board of Greater Vancouver (REBGV) board area, which does not include Surrey, Langley, White Rock, and North Delta.

n.a.: Data not available.

Table 11b: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ Units)	Avg. Rent Two Bedroom (3 Units)
London	2008	2,385	1,369	3.5	8,620	212,092	3.9	834
	2009(F)	1,696	850	0.0	6,900	210,000	4.2	842
	2010(F)	1,546	800	0.0	7,100	210,000	3.9	852
Kitchener	2008	2,634	1,446	2.4	6,269	271,222	1.8	845
	2009(F)	2,500	1,300	0.0	5,300	265,000	1.6	860
	2010(F)	2,550	1,250	0.0	5,900	260,000	1.5	875
St.Catharines-Niagara	2008	1,138	680	4.3	5,896	203,648	4.3	777
	2009(F)	970	580	-1.0	5,300	197,000	4.0	790
	2010(F)	1,000	560	0.0	5,400	195,000	4.0	800
Hamilton	2008	3,529	1,675	2.8	12,110	280,790	3.2	836
	2009(F)	3,260	1,475	-2.6	10,500	272,000	3.0	850
	2010(F)	3,405	1,450	-0.7	11,800	270,500	3.0	864
Toronto	2008	42,212	11,308	3.5	76,387	379,943	2.0	1,095
	2009(F)	29,200	6,500	1.0	60,000	364,000	1.9	1,117
	2010(F)	29,700	7,000	-0.5	68,500	359,000	1.5	1,140
Barrie	2008	1,416	858	n.a.	4,058	264,034	3.5	954
	2009(F)	1,100	670	n.a.	3,460	257,433	3.5	968
	2010(F)	1,090	660	n.a.	3,490	254,900	3.6	963
Peterborough	2008	428	300	n.a.	2,506	230,656	2.4	850
	2009(F)	380	280	n.a.	2,150	221,000	2.2	870
	2010(F)	385	270	n.a.	2,250	219,000	2.0	890
Brantford	2008	432	283	n.a.	2,097	218,890	2.4	752
	2009(F)	400	270	n.a.	1,875	210,000	2.2	760
	2010(F)	420	270	n.a.	1,950	208,000	2.2	768
Guelph	2008	1,087	425	n.a.	2,794	267,329	2.3	869
	2009(F)	850	350	n.a.	2,400	261,000	2.0	885
	2010(F)	875	350	n.a.	2,600	260,000	1.9	900
Oshawa*	2008	1,987	1,500	n.a.	8,797	273,984	4.2	889
	2009(F)	1,508	900	n.a.	7,000	264,500	3.7	903
	2010(F)	1,568	890	n.a.	7,200	261,500	3.3	918
Kingston	2008	672	546	n.a.	3,473	235,047	1.3	880
	2009(F)	590	400	n.a.	3,200	233,500	1.2	905
	2010(F)	640	460	n.a.	3,300	237,000	1.9	928

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

MLS® data for St. Catharines-Niagara is aggregated using total numbers of the area's three real estate boards.

*MLS® numbers reflect all of Durham Region.

n.a.: Data not available.

Table 11c: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ Units)	Avg. Rent Two Bedroom (3 Units)
Ottawa	2008	6,998	2,956	3.8	13,908	290,483	1.4	995
	2009(F)	5,760	2,250	0.4	12,100	292,000	1.0	1,025
	2010(F)	6,070	2,350	0.6	12,750	297,000	0.7	1,055
Gatineau	2008	3,304	1,120	3.8	4,203	194,873	1.9	677
	2009(F)	2,700	850	0.4	3,800	196,000	2.5	690
	2010(F)	2,600	800	0.6	3,700	198,000	2.5	705
Montréal	2008	21,927	6,602	4.9	40,440	258,028	2.4	659
	2009(F)	18,900	5,750	3.6	38,500	255,000	2.0	668
	2010(F)	17,700	5,150	3.2	40,500	253,000	2.3	675
Trois-Rivières	2008	1,148	373	n.a.	799	141,610	1.7	505
	2009(F)	950	340	n.a.	760	146,000	2.0	515
	2010(F)	800	310	n.a.	750	150,000	2.3	525
Sherbrooke	2008	1,627	802	n.a.	1,774	188,412	2.8	543
	2009(F)	1,300	600	n.a.	1,580	190,300	2.8	555
	2010(F)	1,175	625	n.a.	1,595	192,200	2.9	565
Québec	2008	5,457	2,031	5.3	7,846	198,835	0.6	653
	2009(F)	4,623	1,828	3.0	7,297	204,800	0.6	663
	2010(F)	4,150	1,554	2.8	7,662	210,944	0.6	673
Saguenay	2008	869	400	n.a.	1,490	146,473	1.6	518
	2009(F)	625	290	n.a.	1,350	152,000	2.3	530
	2010(F)	540	300	n.a.	1,400	157,000	2.0	540
Saint John	2008	832	488	2.5	2,166	158,117	3.1	618
	2009(F)	725	425	2.5	1,800	163,500	2.8	600
	2010(F)	735	430	2.0	1,850	170,000	2.5	615
Moncton	2008	1,359	566	2.5	2,663	143,173	2.4	656
	2009(F)	1,165	540	2.5	2,300	145,500	2.5	640
	2010(F)	1,255	560	2.0	2,350	149,000	3.0	660
Halifax	2008	2,096	1,180	7.9	6,472	232,106	3.4	833
	2009(F)	1,980	1,000	3.5	5,950	233,000	3.5	850
	2010(F)	2,180	1,050	2.0	6,200	238,000	3.3	865
St. John's	2008	1,863	1,485	19.6	4,695	178,477	0.8	630
	2009(F)	1,550	1,200	6.0	3,450	195,000	1.0	700
	2010(F)	1,675	1,275	3.0	3,575	200,000	1.5	725
Charlottetown	2008	426	280	1.4	595	175,231	2.3	672
	2009(F)	350	225	2.0	540	177,000	2.0	715
	2010(F)	375	250	2.0	555	179,500	1.8	735
ALL LISTED	2008	156,783	56,262	3.4	325,649	n.a	2.2	n.a
CENTRES	2009(F)	115,463	43,978	-0.4	281,112	n.a	2.1	n.a
	2010(F)	115,204	44,564	0.6	302,727	n.a	2.1	n.a

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

MLS® data for St. Catharines-Niagara is aggregated using total numbers of the area's three real estate boards.

*MLS® numbers reflect all of Durham Region.

n.a.: Data not available.

Table 12: Major Housing Indicators (levels and quarterly percent change)

	2007Q1	2007Q2	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4
New Housing								
Building permits, units, thousands	218.7	249.0	246.4	236.9	216.0	227.1	208.9	170.7
% change	*-6.7*	*13.9*	*-1.0*	*-3.9*	*-8.8*	*5.2*	*-8.0*	*-18.3*
Housing starts, total, thousands	225.2	227.8	241.0	217.6	235.1	217.6	207.7	184.9
% change	*0.3*	*1.2*	*5.8*	*-9.7*	*8.0*	*-7.4*	*-4.5*	*-11.0*
Housing starts, singles, thousands	118.8	119.1	119.8	116.4	99.1	96.6	93.9	84.3
% change	*1.5*	*0.3*	*0.6*	*-2.8*	*-14.9*	*-2.5*	*-2.8*	*-10.2*
Housing starts, multiples, thousands	106.4	108.7	121.2	101.2	136.0	121.0	113.8	100.6
% change	*-1.0*	*2.2*	*11.5*	*-16.5*	*34.4*	*-11.0*	*-6.0*	*-11.6*
Housing completions, total,	46,516	50,517	56,042	55,814	44,261	52,688	58,197	58,991
% change	*-15.2*	*8.6*	*10.9*	*-0.4*	*-20.7*	*19.0*	*10.5*	*1.4*
New house price index, 1997=100	148.7	151.9	155.0	156.3	158.0	158.4	158.6	157.9
% change	*1.0*	*2.2*	*2.1*	*0.8*	*1.1*	*0.3*	*0.1*	*-0.5*
Existing Housing								
MLS® resales, units, thousands	132,359	133,467	127,907	128,622	119,191	115,487	111,682	86,879
% change	*7.5*	*0.8*	*-4.2*	*0.6*	*-7.3*	*-3.1*	*-3.3*	*-22.2*
MLS® average resale price, $C	294,146	304,488	309,456	319,175	315,703	310,918	298,784	287,754
% change	*3.7*	*3.5*	*1.6*	*3.1*	*-1.1*	*-1.5*	*-3.9*	*-3.7*
Mortgage Market								
1-year mortgage rate, per cent*	6.47	6.83	7.05	7.27	7.25	6.68	6.75	6.10
5-year mortgage rate, per cent*	6.60	7.01	7.22	7.46	7.29	6.93	6.95	7.05
Residential Investment**								
Total, $1997 millions	80,063	81,119	81,901	82,164	80,689	80,049	80,014	n.a.
% change	*2.6*	*1.3*	*1.0*	*0.3*	*-1.8*	*-0.8*	*0.0*	n.a.
New, $1997 millions	36,514	36,941	37,670	38,094	37,065	36,652	36,779	n.a.
% change	*1.3*	*1.2*	*2.0*	*1.1*	*-2.7*	*-1.1*	*0.3*	n.a.
Alterations, $1997 millions	31,356	31,604	31,972	32,436	33,224	33,036	33,072	n.a.
% change	*2.5*	*0.8*	*1.2*	*1.5*	*2.4*	*-0.6*	*0.1*	n.a.
Transfer costs, $1997 millions	12,580	12,916	12,668	12,188	11,304	11,264	11,096	n.a.
% change	*6.5*	*2.7*	*-1.9*	*-3.8*	*-7.3*	*-0.4*	*-1.5*	n.a.
Deflator, 1997=100	131.1	133.8	135.5	136.8	136.6	137.2	137.9	n.a.
% change	*1.8*	*2.0*	*1.2*	*1.0*	*-0.1*	*0.4*	*0.5*	n.a.

Sources: CMHC, Statistics Canada, Bank of Canada, Canadian Real Estate Association.

n.a.: Data not available.

* All indicators are seasonally adjusted and annualized except the New house price index and the Residential Investment deflator which are only seasonally adjusted and Housing completions and the 1-year and 5-year mortgage rates which are not adjusted or annualized.

** Residential Investment includes outlays for new permanent housing, conversion costs, cost of alterations and improvements, supplementary costs, and transfer costs.

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